

**STAFF MEETING MINUTES
LANCASTER COUNTY BOARD OF COMMISSIONERS
COUNTY-CITY BUILDING
ROOM 106
THURSDAY, JULY 25, 2002
2:30 P.M.**

Commissioners Present: Bob Workman, Chair
Bernie Heier, Vice Chair
Kathy Campbell
Larry Hudkins
Ray Stevens

Others Present: Dave Kroeker, Budget and Fiscal Officer
Kerry Eagan, Chief Administrative Officer
Gwen Thorpe, Deputy Chief Administrative Officer
Georgia Glass, Personnel Director
Diane Staab, Deputy County Attorney
Rob Ogden, Chief Administrative Deputy County Assessor
Scott Gaines, Chief Deputy County Assessor
Melissa Koci, County Clerk's Office

The staff meeting was reconvened at 2:32 p.m.

Commissioner Workman distributed copies of the Lancaster County Budget Shortfall for 2003 as of July 25, 2002 (Exhibit A) and indicated the Board is looking for places to fill the unknown \$600,000 reductions.

Dave Kroeker, Budget and Fiscal Officer, submitted documentation regarding a comparison of the FY03 to FY02 Revenue Budget and the proposed solutions to the budget cuts (Exhibit B). He said as of July 10th the revenue was \$62,631,803 which was reduced by \$517,948 because of the reduction of the Public Defender's Indigent Defense and the Bridge and Special Road Funds, putting the current revenue at \$62,113,855.

Kroeker noted the following reductions from the list he submitted:

- * County Attorney - \$65,315
- * Information Services - \$174,566
- * Keno - \$367,019
- * Lincoln Action Program - \$30,329

Kroeker said the County Attorney can reduce overtime by \$11,200 by covering the phones from 8:00 a.m. to 4:30 p.m. instead of 7:45 a.m. to 5:00 p.m. He also said they can reduce attorney weekend duty overtime by \$15,615 and suggested the same reduction for the Public Defender because they are salaried employees.

Campbell suggested discussing the Union and Personnel issue before getting into the reductions.

Georgia Glass, Personnel Director, appeared and indicated she has not heard back from the Union regarding the budget solution for County employees.

MOTION: Campbell moved and Heier seconded to enter into Executive Session at 2:50 p.m. for discussion of budget and labor negotiations. On call Stevens, Hudkins, Heier, Campbell and Workman voted aye. Motion carried.

MOTION: Hudkins moved and Stevens seconded to exit Executive Session at 3:38 p.m. On call Heier, Hudkins, Campbell, Stevens and Workman voted aye. Motion carried.

MOTION: Hudkins moved and Campbell seconded to authorize Kerry Eagan, Personnel and the County Attorney to draft a second letter to the Union asking for their participation in updating the budget shortfall and outlining the solutions to the problem. On call Campbell, Stevens, Heier, Hudkins and Workman voted aye. Motion carried.

The Board agreed to take \$65,315 out of the County Attorney's budget.

Kroeker indicated the Clerk of the District Court has a deputy position that is vacant and will not be filled, saving \$28,558. There is also a vacant Court Clerk and Account Clerk I position that will be eliminated and other miscellaneous items reduced for a total reduction of \$111,619, which has already been reduced in their budget.

Kroeker said the Juvenile Court made some possible adjustments to their budget totaling \$103,400 by reducing legal services and boarding contracts, which will have to be accounted for later. Kroeker also noted he eliminated two cruisers, a transport van, an investigator vehicle and a few other items from the County Sheriff's budget for a reduction of \$140,550.

Kroeker reported the Case Management budget for last year was \$93,184 and he encumbered \$85,554 at year end. He said \$2,800 was paid out during the month of June for May services and the June bill for \$1,764 has not been paid. Kroeker said they are also asking for \$4,600 to complete the system requirements documentation. Kroeker said \$76,390 of funds that are encumbered and \$98,176 that was budgeted this fiscal year could be released, which could free up \$174,566.

The Board agreed to reduce the Information Services data processing budget by \$98,176 and allow them to spend \$4,600 to finish the requirements documentation.

Kroeker said there has been some discussion regarding hiring another employee in the County Clerk's Office to work with the fixed assets. He said Trish Owen, Chief Deputy County Clerk, has agreed to take over the responsibilities, saving the County \$25,000, which was already allocated out of keno.

With regards to the keno funds for the FY03 Proposed Budget, Kroeker asked if Rural Addressing was a priority and indicated some money needs to be transferred to the Community Mental Health Center's budget because they have a negative balance of almost \$400,000. He suggested doing a one-time transfer from keno in the amount of \$367,019 to help get the fund balance up which will hold down the taxes for next year.

Campbell suggested leaving half of the money in the Rural Signs and take some of the funds out of HIPPA or somewhere else.

MOTION: Heier moved and Campbell seconded to transfer \$367,019 from the Keno Fund to the Community Mental Health Center's budget to compensate for the over expenditure of budget for Mental Health last year and to get the fund balanced. On call Stevens, Hudkins, Heier, Campbell and Workman voted aye. Motion carried.

Kroeker asked about Lincoln Action Program's rural contract and noted the Board agreed the contract would be funded for two months, which will be a reduction of \$30,329.

Campbell said with the proposed reductions as outlined, the budget would be reduced by \$560,839.

Kroeker agreed.

Kroeker submitted documentation regarding the Expenditures for Travel, Memberships, Books & Subscriptions and Tuition (Exhibit C) and indicated the total before the proposed reductions was \$462,775 and has now been reduced to \$436,823. Kroeker said Commissioner Stevens suggested leaving only 25% in each budget. Kroeker also said at one time the County held the National NACO dues for one year, which would give the County an additional \$4,000. The Board agreed to leave the Nebraska and National NACO dues in the budget. Kroeker said last year's budget level for expenditures was \$395,402 and the Board looked at reducing all departments budgets to last year's figures.

Campbell said she spoke to Steve Hubka, City Budget & Fiscal Officer, who indicated the City controls all of the expenditures for travel, memberships, etc. and they have control over all of the funds. She said when a City office needs something, a request has to be approved by the Mayor's Office. Campbell suggested cutting \$100,000 from the expenditures and look the figures over again at midyear.

Campbell suggested sending an email to all Department Heads telling them the Board is considering a \$100,000 reduction in the expenditures for travel, memberships, etc. and are anticipating a 25% reduction from each department. She said the Board should request the memo be returned within five days indicating whether or not the department can fit within that percentage, which would be 75% of actual last year's budget.

Kroeker indicated he would draw up an email and run it by the Board before he sends it.

Heier said some of the expenses include fees for the Attorney's to belong to the Bar Association. He believed each Attorney should be paying their own Attorney's fees and not the government.

Kroeker indicated many years ago the Board agreed to pay the mandatory dues for the Attorney's and he didn't realize the Board was paying Lincoln Bar Association dues for the County Attorney, who has reduced that category. Kroeker said what is mandatory needs to be looked at and whether or not it is the Attorney's job to pay their own fees.

The Board agreed that the email to the Department Heads asking for a 25% reduction in their travel, memberships, books & subscriptions & tuition should also state that there may be additional reductions in this area.

Kroeker said there is a Statute somewhere on file that states the budget is supposed to be on file with the County Clerk by July 31st. He indicated he needs to start putting the budget together and on the 31st submit what he has done. Kroeker said he would have the adjustments in the computer and a summary and the detail both as of July 31st, 2002.

The Board agreed to have a budget working session during the Thursday, August 1, 2002 staff meeting.

Kerry Eagan, Chief Administrative Officer, just received documentation regarding the Special Sessions meeting and indicated the Community Juvenile Services had originally appropriated \$3,057,000 and the proposed cut is \$1,170,600, which is good news. He also said the Indigent Public Defense Aid is gone, which has already been taken out of the budget.

Kroeker said Dean Settle needs to know when the reductions of Psychiatrists will go into effect.

MOTION: Campbell moved and Heier seconded to proceed with the reductions in the area of Psychiatrists at the Community Mental Health Center to go from one full-time employee to one part-time employee plus the Nursing Contract with Bryan effective September 1, 2002. On call Stevens, Campbell, Hudkins, Heier and Workman voted aye. Motion carried.

3 ADJOURNMENT

MOTION: Campbell moved and Hudkins seconded to adjourn the meeting at 4:59 p.m. Campbell, Heier, Hudkins, Stevens and Workman voted aye. Motion carried.

Bruce Medcalf
County Clerk